#### **AGREEMENT**

#### **FOR**

#### FACILITIES-BASED NETWORK INTERCONNECTION FOR TRANSPORT AND TERMINATION OF LOCAL SERVICE AREA TRAFFIC

#### **CMRS-LEC AGREEMENT**

Effective as of	, 2000
	 , 2000

#### Between

Bluegrass Cellular Inc. acting as agent for itself and on behalf of KY RSA #3 Cellular General Partnership, KY RSA #4 Cellular General Partnership, and Cumberland Cellular Partnership

and

South Central Rural Telephone Cooperative Corporation, Inc.

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## AGREEMENT FOR FACILITIES-BASED NETWORK INTERCONNECTION FOR TRANSPORT AND TERMINATION OF LOCAL SERVICE AREA TRAFFIC (CMRS-LEC AGREEMENT)

#### Introduction

Pursuant to this CMRS-LEC Agreement for Facilities-Based Network Interconnection for Transport and Termination of Local Service Area Traffic, South Central Rural Telephone Cooperative Corporation, Inc. and Carrier will extend certain network arrangements to one another as specified below.

#### Recitals

WHEREAS, Bluegrass Cellular Inc., acting as agent for and on behalf of KY RSA#3 Cellular General Partnership, KY RSA #4 Cellular General Partnership, and Cumberland Cellular Partnership (Carrier), is a Commercial Mobile Radio Services ("CMRS") provider licensed by the Federal Communications Commission ("FCC") to provide CMRS; and

WHEREAS, South Central Rural Telephone Cooperative Corporation, Inc. is a local exchange carrier ("LEC") providing telecommunications services in the State of Kentucky; and

WHEREAS, the Parties desire to interconnect their respective CMRS and LEC network facilities for the purpose of delivery of specific traffic for transport and termination on the other Party's network; and

WHEREAS, the Parties are entering into this Agreement to set forth the respective obligations and the terms and conditions under which they will interconnect their networks and provide other services as set forth herein.

NOW, THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, South Central Rural Telephone Cooperative Corporation, Inc. and Carrier hereby agree as follows:

#### 1.0 DEFINITIONS

As used in this Agreement, the following terms shall have the meanings specified below in this Section 1.0. Any term used in this Agreement that is not specifically defined shall have the meaning ascribed to such term in the Communications Act of 1934, as amended. If no specific meaning exists for a specific term used in this Agreement, then normal usage in the telecommunications industry shall apply.

1.1 "Act" means the Communications Act of 1934, as amended.

- 1.2 "Affiliate" is As Defined in the Act.
- 1.3 "Central Office Switch" means a switch used to provide Telecommunications Services, including, but not limited to:
  - (a) "End Office Switches" which are used to terminate lines from individual stations for the purpose of interconnection to each other and to trunks; and
  - (b) "Tandem Office Switches" which are used to connect and switch trunk circuits between and among other Central Office Switches. A Central Office Switch may also be employed as a combination End Office/Tandem Office Switch.
- 1.4 "Commercial Mobile Radio Service" or "CMRS" means Commercial Mobile Radio Service as defined in Part 20 of the FCC's Rules.
- 1.5 "Commission" means the Kentucky Public Service Commission.
- 1.6 "Common Channel Interoffice Signaling" or "CCIS" means the signaling system, developed for use between switching systems with stored-program control, in which all of the signaling information for one or more groups of trunks is transmitted over a dedicated high-speed data link rather than on a per-trunk basis and, unless otherwise agreed by the Parties, the CCIS used by the Parties shall be Signaling System Seven ("SS7").
- 1.7 "DS1" is a digital signal rate of 1.544 Mbps (MEGA Bits Per Second).
- 1.8 "DS3" is a digital signal rate of 44.736 Mbps.
- 1.9 "FCC" means the Federal Communications Commission.
- 1.10 "Information Service" is as defined in the Communications Act of 1934, as amended.
- 1.11 "Information Service Provider" or "ISP" is any entity, including but not limited to an Internet service provider, that provides information services.
- 1.12 "ISP Traffic" is traffic originated by an end user of one Party and delivered to the other Party for switching to an ISP.
- 1.13 "Interconnection" for purposes of this Agreement is the linking of the Carrier and South Central Rural Telephone Cooperative Corporation, Inc. networks for the delivery of traffic.

- 1.14 "Interexchange Carrier" or "IXC" means a carrier that provides, directly or indirectly, interLATA or intraLATA Telephone Toll Services.
- 1.15 "Inter-MTA Traffic" is CMRS traffic originated by a CMRS end user of Carrier on the network of Carrier in one MTA and terminated to an end user of South Central Rural Telephone Cooperative Corporation, Inc. in another MTA. Inter-MTA traffic is subject to South Central Rural Telephone Cooperative Corporation, Inc.'s Switched Exchange Access Service charges.
- 1.16 "Local Service Area Traffic" is defined for the purposes of CMRS-LEC interconnection under this Agreement and for the purpose of compensation under this Agreement as traffic which is originated by an end user of one Party and terminates to an end user of the other Party within the same Major Trading Area ("MTA"), provided that the end user of Carrier is a two-way CMRS customer and the traffic is delivered by either Party over the connecting facilities covered by this Agreement. The term Local Service Area Traffic is applied pursuant to this Agreement solely for the purpose of defining the scope of traffic delivered by one Party to the other Party that is subject to specific CMRS-LEC interconnection compensation terms. The use of the term Local Service Area Traffic for purposes of specific CMRS-LEC interconnection arrangements has no effect on the definition of local traffic or the geographic area associated with local calling under either Party's respective end user service offerings.
- 1.17 "Local Exchange Carrier" or "LEC" is as defined in the Act.
  - 1.18 "Major Trading Area" or "MTA" means Major Trading Area as used by the FCC in licensing CMRS.
- 1.19 "Multifrequency" means a signaling system for use between switching systems which uses a method of sending pulses over a circuit by using one pair of tones from a total set of five tones to encode each digit.
- 1.20 "NXX" means a three-digit code valid within an area code which appears as the first three digits of a seven digit telephone number with the exception of the special 500, 600, 700, 800, and 900 codes and other similar special codes which may come into common usage in the future.
- 1.21 "Party" means either South Central Rural Telephone Cooperative Corporation, Inc. or Carrier, and "Parties" means South Central Rural Telephone Cooperative Corporation, Inc. and Carrier.

- 1.22 "Point of Connection" or POC" is a mutually agreed upon point of demarcation between networks where the delivery of traffic from one Party to the other Party takes place.
- 1.23 "Rate Center" means the specific geographic point ("Vertical and Horizontal" ("V&H") coordinates) and corresponding geographic area which are associated with one or more particular NPA-NXX codes which have been assigned to a LEC for its provision of basis exchange telecommunications services. The "rate center point" is the finite geographic point identified by a specific V&H coordinate, which is used to measure distance-sensitive end user traffic to/from, the particular NPA-NXX designations associated with the specific Rate Center. The "rate center area" is the exclusive geographic area identified as the area within which the LEC provides basis exchange telecommunications service bearing the particular NPA-NXX designations associated with the specific Rate Center. The Rate Center point must be located within the Rate Center area. The use by a CMRS provider of a Rate Center V&H for mobile CMRS services has no specific geographic meaning.
- 1.25 "Telecommunications Act" or "Act" means the Telecommunications Act of 1996.
- 1.26 "Telecommunications Carrier" is as defined in the Act.

#### 2.0 INTERPRETATION AND CONSTRUCTION

- 2.1 All references to Sections, Exhibits, Appendices, and Schedules shall be deemed to be references to Sections of, and Exhibits, Appendices, and Schedules, to this Agreement unless the context shall otherwise require. The headings of the Sections and the terms are inserted for convenience of references only and are not intended to be a part of or to affect the meaning of this Agreement. Unless the context shall otherwise require, any reference to any Agreement, other instrument (including Carrier's, South Central Rural Telephone Cooperative Corporation, Inc.'s or other third party offerings, guides or practices), statute, regulation, rule or tariff is for convenience of reference only and is not intended to be a part of or to affect the meaning of rule or tariff as amended and supplemented from time to time (and, in the case of a statute, regulation, rule or tariff, to any successor provision).
- 2.2 The Parties acknowledge that some of the services, facilities, or arrangements described herein reference the terms of federal or state Tariffs of the Parties. Each Party hereby incorporates by reference those provisions of any tariff that governs any terms specified in this Agreement. If any provision contained in this main body of the Agreement and any Appendix hereto cannot be reasonably construed or interpreted to avoid conflict, the provision contained in this main body of this Agreement shall prevail. If any provision of this Agreement and an applicable tariff cannot be reasonably construed or interpreted to avoid conflict, the Parties agree that the provision

contained in this Agreement shall prevail. This agreement supercedes any prior agreement between the parties.

#### 3.0 <u>SCOPE</u>

- 3.1 This Agreement sets forth the terms, conditions and prices under which the Parties agree to interconnect the CMRS network of Carrier and the LEC network of South Central Rural Telephone Cooperative Corporation, Inc. for the purposes of transporting and terminating certain traffic including: 1) CMRS to LEC Local Service Area Traffic originated on the CMRS network of Carrier and terminated on the incumbent LEC network of South Central Rural Telephone Cooperative Corporation, Inc.; 2) LEC to CMRS Local Service Area Traffic originated on the incumbent LEC network of South Central Rural Telephone Cooperative Corporation, Inc. and terminated on the CMRS network of Carrier; and 3) CMRS to LEC Inter-MTA Traffic originated on the CMRS network of Carrier and terminated on the incumbent LEC network of South Central Rural Telephone Cooperative Corporation, Inc. This Agreement does not obligate either Party to provide arrangements not specifically provided for herein. This Agreement also provides for compensation between the Parties for the transport and termination of specific Local Service Area Traffic on each Party's network as set forth in this Agreement.
- 3.2 Compensation under this Agreement for the transport and termination of Local Service Area Traffic only applies when both Parties own and operate network facilities in the area where Local Service Area Traffic is exchanged. This Agreement does not apply to any other types of traffic or in any other geographic area. With the exception of the limited inter-MTA traffic discussed in Section 5.4, traffic that either Party originates to, or terminates from, an interexchange carrier providing either intraLATA or interLATA toll services is specifically not within the scope of traffic covered by this Agreement, regardless of the originating and terminating end points of a call. All traffic that either Party originates to, or terminates from, an interexchange carrier will be subject to access charges. This Agreement only applies with respect to the traffic delivered over the connecting network arrangement between the Parties. This Agreement does not obligate either Party to deliver traffic to the other Party pursuant to the terms of this Agreement. This Agreement has no effect on the definition of end user services that either Party offers to its end user customers, the services either Party chooses to offer to its respective end user customers, the rate levels or rate structures that either Party charges its end users for services, or the manner in which either Party provisions or routes the services either Party provides to its respective end user customers. Compensation for the transport and termination of Local Service Area Traffic applies only to traffic associated with the provision of local exchange carrier services by South Central Rural Telephone Cooperative Corporation, Inc. and to traffic associated with the provision of two-way CMRS by Carrier. Traffic associated with fixed wireless services of Carrier is specifically excluded from this Agreement. Traffic associated with any service InterMTA Traffic, this Agreement does not apply to IntraLATA toll traffic or switched access traffic. This Agreement does not apply to traffic originated, terminated, or carried

by or on third party networks; or to any other traffic that has not been specifically identified in this Section as subject to this Agreement.

#### 4.0 <u>SERVICE AGREEMENT</u>

#### 4.1 <u>Methods of Interconnection</u>

The Parties agree to interconnect their respective networks within the incumbent LEC service area of South Central Rural Telephone Cooperative Corporation, Inc. at one or more Points of Connection as established by South Central Rural Telephone Cooperative Corporation, Inc. as available POC(s) with other carriers. Interconnection will be provided through an appropriate South Central Rural Telephone Cooperative Corporation, Inc. tandem switching office. The POC(s) will be set forth in Appendix A. South Central Rural Telephone Cooperative Corporation, Inc. shall make available to Carrier at the POC(s0, trunks over which Carrier can terminate Local Service Area Traffic to the CMRS end users of Carrier. Carrier shall only deliver Local Service Area Traffic and Inter-MTA Traffic over the interconnection facilities described in Appendix A. By mutual agreement, the Parties may interconnect on a bi-directional basis using twoway trunk groups between the Parties' networks. All interconnecting facilities will be a DS1 level, multiple DS1 level, or DS3 level and will conform to industry standards. This Agreement does not apply to, and interconnection pursuant to this Agreement cannot be used for, traffic originated, or carried by or on third party networks. All methods of interconnection are subject to the compensation structure set forth in Section 5.0 and Appendix B.

#### 4.2 Service Types

This Agreement provides for the following interconnection arrangements between the Parties for the purpose of delivery by one Party of specific traffic for transport and termination on the other Party's network. The Parties will interconnect their respective networks based upon a Type 1 Service ("Type 1") and/or a Type 2A Service interconnection ("Type 2A").

#### 4.2.1 Type 1

Type 1 involves digital based connection to an South Central Rural Telephone Cooperative Corporation, Inc. end office similar to that provided to a private branch exchange. For Type 1 interconnection, Carrier must obtain Direct Inward Dial ("DID") service in addition to, and separate from the compensation arrangements described below in Section 5.0. DID service is available to Carrier pursuant to the rules and regulations governing DID service as contained in South Central Rural Telephone Cooperative Corporation, Inc.'s intrastate local tariff with the exception of rates and charges. Rates and charges for DID services provided to Carrier are specified in Appendix B to this Agreement. Type 1 is provided from suitably equipped end offices and consists of a digital facility arranged for two-way service operation and an

associated end office connection which switches calls to and from the facility. A group of seven-digit numbers associated with the serving end office of South Central Rural Telephone Cooperative Corporation, Inc. are assigned by South Central Rural Telephone Cooperative Corporation, Inc. for Type 1 interconnection may be used by Carrier to access valid NPA-NXX codes for the end office to which the Type 1 connection is made and to all other South Central Rural Telephone Cooperative Corporation, Inc. end offices with which the serving end office has non-optional, flat-rated, unlimited extended area service ("EAS"") calling as set forth in Appendix C.

#### 4.2.2 <u>Type 2A</u>

Type 2A involves trunk side connections to appropriate South Central Rural Telephone Cooperative Corporation, Inc. tandem switching offices. Under a Type 2A arrangement, the interconnection facility acts like an interoffice trunk. Type 2A can by mutual agreement be used as a two-way service for originating and terminating traffic between the Parties' respective networks. This Agreement does not apply to, and Type 2A cannot be used for, traffic originated, terminated, or carried by or on third party networks.

4.2.2.1 For traffic terminating on South Central Rural Telephone Cooperative Corporation, Inc., Type 2A interconnection may be used by Carrier to access valid NXX codes associated with end offices that subtend the specific tandem office to which the Type 2A interconnection is made.

4.2.2.2 Based on specific South Central Rural Telephone Cooperative Corporation, Inc. local service area of the originating end user, the Type 2A interconnection may be used by South Central Rural Telephone Cooperative Corporation, Inc. to deliver traffic to designated NPA-NXXs of Carrier for which the associated rate center (as determined by Vertical and Horizontal ("V&H") coordinates" is within the geographic service area of South Central Rural Telephone Cooperative Corporation, Inc. and within the specified South Central Rural Telephone Cooperative Corporation, Inc.'s local service area of the originating end user. South Central Rural Telephone Cooperative Corporation, Inc., Inc's local service areas are as set forth in South Central Rural Telephone Cooperative Corporation, Inc.'s intrastate local service tariff. Subject to a specific compensation arrangement described in Section 5.1, and based on the specific location of the originating South Central Rural Telephone Cooperative Corporation, Inc. end user, the Type 2A interconnection may be used by South Central Rural Telephone Cooperative Corporation, Inc. to deliver traffic to designated NPA-NXXs of Carrier for which the associated rate center (as determined by V&H coordinates) is within a local service area of another local exchange carrier with which the end users in the originating South Central Rural Telephone Cooperative Corporation, Inc. location have non-optional, two-way, unlimited, flat-rated EAS calling. The EAS locations of other LECs associated with specific South Central Rural Telephone Cooperative Corporation, Inc. originating locations are set forth in South

Central Rural Telephone Cooperative Corporation, Inc., Inc's intrastate local service tariff.

4.2.2.3 The Parties agree that the delivery of traffic pursuant to Subsections 4.2.2.1 and 4.2.2.2 is at the option of the respective originating Party. The voluntary delivery of traffic pursuant to Subsections 4.2.2.1 and 4.2.2.2 does not create legal or regulatory obligations for either Party that do not otherwise apply.

4.2.2.4 Carrier agrees that the use in Subsections 4.2.2.1 and 4.2.2.2 of rate center V&H coordinates associated with NPA-NXX network numbers assigned by Carrier to its mobile CMRS customers is an arbitrary practice applied only for purposes of this Agreement. The designation of rate center V&H coordinates by Carrier for NPA-NXX numbers assigned to Carrier's mobile CMRS customers does not affect or determine the services offered by South Central Rural Telephone Cooperative Corporation, Inc. or Carrier, the services provided to end users by either Party, the rate structure applied to either Party for the services either Party provides. The voluntary use by the Parties of the NPA-NXX numbers assigned by Carrier to its mobile CMRS customers does not create legal or regulatory obligations for either Party that do not otherwise apply. This arbitrary practice is subject to change or termination by South Central Rural Telephone Cooperative Corporation, Inc. at any time.

#### 4.3 Signaling

SS7 connectivity is required on both Parties' networks. SS7 connectivity will be provided in accordance with prevailing industry standards. The Parties agree to cooperate on the exchange of all appropriate SS7 messages for local call set-up. including ISDN User Part ("ISUP") and Transaction Capability User Part ("TCAP") messages to facilitate full interoperability of all CLASS features and functions between their respective networks. Any other SS7 message services to be provided using TCAP messages (such as database gueries) will be jointly negotiated and agreed upon. All SS7 signaling parameters will be provided in conjunction with traffic trunk groups, where and as available. These parameters include, but are not limited to, Automatic Number Identification ("ANI"), Calling Party Number ("CPN"), Privacy Indicator, calling party category information, charge number, etc. All parameters related to network signaling information will also be provided, such as Carrier Information Parameter ("CIP"), wherever such information is needed for call routing and billing. Each Party will honor all Privacy Indicators as required under applicable law. Carrier must interconnect, directly or indirectly, with the South Central Rural Telephone Cooperative Corporation, Inc. Signal Transfer Points ("STPs") serving the Local Service Area in which Local Service Area Traffic and Inter-MTA Traffic will be exchanged. Carrier may choose a third-party SS7 signaling provider to transport signaling messages to and from South Central Rural Telephone Cooperative Corporation, Inc.'s SS7 network. In that event, the third-party provider must present a letter of agency to South Central Rural Telephone Cooperative Corporation, Inc. authorizing the third party to act on behalf of Carrier in transporting SS7 messages to and from South Central Rural Telephone Cooperative Corporation, Inc. The third-party provider for Carrier must interconnect with the South Central Rural Telephone Cooperative Corporation, Inc. STP(s) serving the geographic area in which the traffic exchange trunk groups are located. Where SS7 signaling is not available, inband signaling shall be used in accordance with accepted industry standards.

#### 5.0 COMPENSATION ARRANGEMENTS

#### 5.1 CMRS-LEC Local Service Area Traffic

Each Party shall pay the other Party for transporting and terminating Local Service Area Traffic that either Party delivers to the other Party's network pursuant to the provisions of this Agreement. The charges and rates for terminating such traffic shall be at the rates set forth in Appendix B of this Agreement. These charges and rates do not apply to any other types of traffic or for traffic delivered in any other areas other than those set forth in this Agreement and described in Appendix A. The Parties agree that South Central Rural Telephone Cooperative Corporation, Inc. will not provide any compensation to Carrier for traffic associated with one-way CMRS, including paging services, provided by Carrier. The parties agree that South Central Rural Telephone Cooperative Corporation, Inc. will not provide any compensation to Carrier for traffic that South Central Rural Telephone Cooperative Corporation, Inc. delivers over the connecting facilities pursuant to this Agreement to be terminated to NPA-NXXs of Carrier for which South Central Rural Telephone Cooperative Corporation, Inc. has chosen not to charge the originating party a per-minute fee and the associated rate center (as determined by V&H coordinates) is within the local service area of the originating the South Central Rural Telephone Cooperative Corporation, Inc. end user or within a local service area to which the originating South Central Rural Telephone Cooperative Corporation, Inc. location has non-optional, two-way, unlimited, flat-rated EAS calling. If South Central Rural Telephone Cooperative Corporation, Inc. is allowed or chooses to apply a specific per-minute charge to originating users for the EAS calling described in the preceding sentence, then the rates in Appendix B will apply. Traffic to be terminated to an ISP served by South Central Rural Telephone Cooperative Corporation, Inc. that is delivered to the network of South Central Rural Telephone Cooperative Corporation, Inc. by Carrier over the connecting facilities pursuant to this Agreement is subject to transport and termination compensation from Carrier to South Central Rural Telephone Cooperative Corporation, Inc.

#### 5.2 Rate Structure

A POC(s) will be established between the Parties' facilities-based networks as specified in Appendix A for the delivery of Local Service Area Traffic. Carrier must obtain special access from South Central Rural Telephone Cooperative Corporation, Inc. subject to the rates, terms, and conditions contained in South Central Rural Telephone Cooperative Corporation, Inc.'s applicable tariffs for the purpose of the connection between the POC and South Central Rural Telephone Cooperative Corporation, Inc.'s applicable end office or tandem office. These connecting facilities are set forth in Appendix A. South Central Rural Telephone Cooperative Corporation, Inc. will charge special access from the applicable South Central Rural Telephone Cooperative Corporation, Inc. intrastate access tariff for the tandem connecting facilities. Special access charges for the connecting facilities will be reduced to reflect the proportionate share of the facilities that are used for transport of traffic originated by South Central

Rural Telephone Cooperative Corporation, Inc. as specified in Appendix A. For any specific POC, the Parties agree to charge a single, combined, per-minute rate, as specified in Appendix B, which encompasses total compensation for transport, call termination and any other facilities utilized to terminate Local Service Area Traffic on either of the Party's respective networks.

#### 5.3 Non-Recurring Charges

The Parties agree to charge non-recurring fees as set forth in Appendix B for any additions to, or added capacity for, special access connecting facilities. South Central Rural Telephone Cooperative Corporation, Inc. will charge Carrier non-recurring fees as set forth in Appendix B for DID service.

#### 5.4 Inter-MTA Traffic

The compensation arrangements set forth in this Agreement for Local Service Area Traffic are not applicable to Inter-MTA Traffic. Compensation for Inter-MTA Traffic shall be governed by the terms and conditions of South Central Rural Telephone Cooperative Corporation, Inc.'s applicable federal and state local exchange access tariffs.

5.4.1 If Carrier as the originating Party chooses to combine Inter-MTA Traffic and Local Service Area Traffic for delivery over the same connecting trunk group pursuant to this Agreement, Carrier and South Central Rural Telephone Cooperative Corporation, Inc. will develop mutually acceptable percent usage factors for the relative amounts of Inter-MTA Traffic and Local Service Area Traffic delivered by Carrier over the connecting facilities pursuant to this Agreement. The Parties will work together to develop an abdicable report which shows, for traffic that is delivered by Carrier to South Central Rural Telephone Cooperative Corporation, Inc. over the connecting facilities pursuant to this Agreement. The Parties will work together to develop an abdicable report which shows, for traffic that is delivered by Carrier to South Central Rural Telephone Cooperative Corporation, Inc. over the connecting facilities pursuant to this Agreement, the ratio of Inter-MTA Traffic to Local Service Area Traffic for representative periods of time. All traffic by South Central Rural Telephone Cooperative Corporation, Inc. to Carrier over the connecting facilities shall be deemed to be Local Service Area Traffic for purposes of compensation under this Agreement.

5.4.2 If Carrier chooses to combine Interstate and Intrastate Inter-MTA Traffic delivered to South Central Rural Telephone Cooperative Corporation, Inc. on the same trunk group, Carrier will also supply an abdicable Percent Interstate Usage (PIU) report quarterly representing the portion of terminating Inter-MTA Traffic that is interstate. Each quarterly report will be applied to the immediately following calendar quarter. The PIU shall be applied to the total Inter-MTA Traffic minutes of use to determine the interstate access charge application. Intrastate access charges shall apply to the remaining Inter-MTA Traffic minutes.

5.4.3 The designation of traffic as either Local Service Area Traffic or access traffic for purposes of compensation pursuant to this Agreement shall be based on the actual originating and terminating points of the complete end-to-end call; provided, however, that for Carrier the location of the initial cell cite serving the CMRS end user when the call begins shall be used as the determinant of the geographic location of the mobile customer.

#### 5.5 Traffic Distribution

The relative directionality and distribution of traffic with respect to the connecting facilities is set forth in Appendix A. The Parties agree to use the default percentages set forth in Appendix A for the application of charges pursuant to this Agreement. The default percentages will be used for a minimum of 12 months. If both Parties measure traffic and agree to new traffic percentages based on a prior 12 month period, the percentages specified in Appendix A will be amended. Each Party agrees to provide available traffic data or permit the other Party's recording equipment to be installed for sampling purposes in conjunction with any subsequent traffic measurement.

#### 6.0 NOTICE OF CHANGES

If a Party makes a change in its network which it believes will materially affect the inter-operability of its network with the other Party, the Party making the change shall provide at least ninety (90) days advance written notice of such change to the other Party.

#### 7.0 GENERAL RESPONSIBILITIES OF THE PARTIES

- 7.1 The Parties shall jointly develop a schedule for promptly implementing all requirements of this Agreement ("Implementation Schedule"). Both South Central Rural Telephone Cooperative Corporation, Inc. and Carrier shall use commercially reasonable efforts to comply with the Implementation Schedule.
- 7.2 The Parties shall exchange technical descriptions and forecasts of their originating traffic in sufficient detail necessary to establish the interconnections required to assure traffic termination.
- 7.3 Thirty (30) days after the Effective Date and each quarter during the term of this Agreement, Carrier shall provide South Central Rural Telephone Cooperative Corporation, Inc. with a rolling, six (6) calendar month, non-binding forecast of its traffic and volume requirements for the services provided under this Agreement in the form and in such detail as agreed by the Parties. The Parties agree that each forecast provided under this Section shall be deemed "Proprietary Information".

- 7.4 Each Party is individually responsible to provide facilities within its network which are necessary for routing, transporting, measuring, and billing traffic from the other Party's network and for delivering of such traffic to the other Party's network in a mutually acceptable format and to terminate the traffic it receives in that mutually acceptable format to the proper address on its network. Such facility shall be designed based upon the description provided under Section 4.0 above. The Parties are each solely responsible for participation in and compliance with national network plans, including The National Network Security Plan and The Emergency Preparedness Plan.
- 7.5 Neither Party shall use any service related to or use any of the services provided in this Agreement in any manner that prevents other persons from using their service or destroys the normal quality of service to other carriers or to either Party's Customers, and subject to notice and a reasonable opportunity of the offending Party to cure any violation, either Party may discontinue or refuse service if the other Party violates this provision.
- 7.6 The characteristics and methods of operation of any circuits, facilities or equipment of one Party connected with the services, facilities or equipment of the other Party shall not interfere with or impair service over any facilities of the other Party, its affiliated companies, or its connecting and concurring carriers involved in its services; or cause damage to the other Party's plant, impair the privacy of any communications carried over the facilities or create hazards to the employees of the other Party, its affiliated companies, or its connecting and concurring carriers or the public.
- 7.7 If such characteristics or methods of operation are not in accordance with the preceding paragraph, either party will notify the other Party that temporary discontinuance of the circuit, facility or equipment may be required; however, when prior notice is not practicable, either Party may forthwith temporarily discontinue the use of a circuit, facility or equipment if such action is reasonable under the circumstances. In such case of temporary discontinuance, either Party will promptly notify the other Party and provide the other Party with the opportunity to correct the condition which gave rise to the temporary discontinuance. No allowance for interruption will be applicable.
- 7.8 The physical connection of facilities and interexchange of traffic may be temporarily discontinued by either Party upon 30 days notice to the Party for repeated or willful violation of or refusal to comply with any of the provisions of this Agreement.
- 7.9 Each Party is solely responsible for the services it provides to its Customers and to other Telecommunications Carriers.
  - 7.10 Each Party is responsible for administering NXX codes assigned to it.
- 7.11 Each Party is responsible for obtaining Local Exchange Routing Guide ("LERG") listings of CLLI codes assigned to its switches.

- 7.12 Each Party shall use the LERG published by Bellcore or its successor for obtaining routing information and shall provide all required information to Bellcore or its successors for maintaining the LERG in a timely manner.
- 7.13 Each Party shall be responsible for programming and updating their separate networks to recognize and route traffic to valid NXX codes including those assigned to the other Party. Except as mutually agreed or as otherwise expressly defined in this Agreement, neither Party shall impose any fees or charges on the other Party for such activities.
  - 7.14 At all times during the term of this Agreement, each Party shall keep and maintain in force at each Party's expense all insurance required by law (e.g., workers' compensation insurance) as well as general liability insurance for personal injury or death to any one person, property damage resulting from any one incident, automobile liability with coverage of bodily injury for property damage. Upon request from the other Party, each Party shall provide to the other Party evidence of such insurance (which may be provided through a program of self-insurance).

#### 8.0 EFFECTIVE DATE, TERM, AND TERMINATION

- 8.1 This Agreement is intended to replace a tariffed service arrangement between the Parties. The tariff arrangement remains in effect until this Agreement becomes effective. This Agreement shall become effective 30 days following State Commission approval of this Agreement. On that date, the terms and conditions of this Agreement shall replace the terms and conditions of any tariff arrangement that may be in place between the Parties at that time. When this Agreement becomes effective, the provisions contained in Section 2.0 of this Agreement shall apply with respect to the interpretation and construction of the Agreement and its ongoing relation to other references, including subsequent tariffs.
- 8.2 The initial term of this Agreement shall be two (2) years from the effective date and shall then automatically renew on a year-to-year basis. Upon expiration of the initial term, either Party may terminate this Agreement by providing written notice of termination to the other Party, with such written notice to be provided at least sixty (6) days in advance of the date of termination.
- 8.3 Upon termination or expiration of this Agreement in accordance with this Section:
  - (a) each Party shall comply immediately with its obligations set forth above:
  - (b) each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement;
  - (c) each Party's indemnification obligations shall survive termination or expiration of this Agreement.

- 8.4 The arrangements pursuant to this Agreement including the provision of services or facilities shall immediately terminate upon the suspension, revocation or termination by other means of either Party's authority to provide services. For South Central Rural Telephone Cooperative Corporation, Inc., authority involves the provision of local exchange or exchange access services. For Carrier, authority involves the provision of CMRS services under license from the Federal Communications Commission.
- 8.5 The services and facilities arrangements pursuant to this Agreement may be terminated by either Party upon not less than ten (10) days notice to the other Party for failure to pay undisputed amounts on the dates or at times specified for the facilities and services furnished pursuant to this Agreement.
- 8.6 Either Party may terminate this Agreement in whole or in part in the event of a default by the other Party provided however, that the non-defaulting Party notifies the defaulting Party in writing of the alleged default and that the defaulting Party does not cure the alleged default within thirty (30) calendar days of receipt of written notice thereof. Default is defined to include:
  - a. A Party's insolvency or the initiation of bankruptcy or receivership proceedings by or against the Party; or
  - b. A Party's refusal or failure in any material respect properly to perform its obligations under this Agreement, or the violation of any of the material terms and conditions of this Agreement.

#### 9.0 CANCELLATION CHARGES

Except as provided herein, or as otherwise provided in any applicable tariff or contract referenced herein, no cancellation charges shall apply.

#### 10.0 INDEMNIFICATION

10.1 Each Party agrees to release, indemnify, defend and hold harmless the other Party from and against all losses, claims, demands, damages, expenses, suits or other actions, or any liability whatsoever related to the subject matter of this Agreement, including, but not limited to, costs and attorneys' fees (collectively, a "Loss"), (a) whether suffered, made, instituted, or asserted by any other party or person, relating to personal injury to or death of any person, defamation, or for loss, damage to, or destruction of real and/or personal property, whether or not owned by others, arising during the term of this Agreement and to the extent proximately caused by the acts or omissions of the indemnifying Party, regardless of the form of action, or (b) suffered, made, instituted, or asserted by its own customer(s) against the other Party arising out of the other Party's provision of services to the indemnifying Party under this Agreement. Notwithstanding the foregoing indemnification, nothing in this Section 10.0 shall affect or limit any claims,

remedies, or other actions the indemnifying Party may have against the indemnified Party under this Agreement, any other contract, or any applicable Tariff(s), regulations or laws for the indemnified Party's provision of said services.

- 10.2 The indemnification provided herein shall be conditioned upon:
  - (a) The indemnified Party shall promptly notify the indemnifying Party of any action taken against the indemnified Party relating to the indemnification.
  - (b) The indemnifying Party shall have sole authority to defend any such action, including the section of legal counsel, and the indemnified Party may engage separate legal counsel only at its sole cost and expense.
  - (c) In no event shall the indemnifying Party settle or consent to any judgment pertaining to any such action without the prior written consent of the indemnified Party, which consent shall not be unreasonably withheld.
  - (d) The indemnified Party shall, in all cases, assert any and all provisions in its Tariffs or customer contracts that limit liability to third parties as a bar to any recovery by the third party claimant in excess of such limitation of liability.
  - (e) The indemnified Party shall offer the indemnifying Party all reasonable cooperation and assistance in the defense of any such action.
- 10.3 In addition to its indemnity obligations under Section 10.1 and 10.2, each Party shall provide, in its Tariffs or customer contracts that relate to any Telecommunications Service or Network Element provided or contemplated under this Agreement, that in no case shall such Party or any of its agents, contractors or others retained by such parties be liable to any Customer or third party for (i) any Loss relating to or arising out of this Agreement, whether in contract or tort, that exceeds the amount such Party would have charged the applicable Customer for the service(s) or function(s) that gave rise to such Loss, or (ii) any Consequential Damages (as defined in subsection 11.2, below).

#### 11.0 <u>LIMITATION OF LIABILITY</u>

11.1 Except in the instance of harm resulting from an intentional or grossly negligent action of one Party, the Parties agree to limit liability in accordance with this Section 11. The liability of either Party to the other Party for damages arising out of failure to comply with a direction to install, restore or terminate facilities; or out of failures, mistakes, omissions, interruptions, delays, errors, or defects occurring in the course of furnishing any services, arrangements, or facilities hereunder shall be determined in accordance with the terms of the applicable tariff(s) of the providing Party. In the event

no tariff(s) apply, the providing Party's liability shall not exceed an amount equal to the pro rata monthly charge for the period in which such failures, mistakes, omissions, interruptions, delays, errors or defects occur. Recovery of said amount shall be the injured Party's sole and exclusive remedy against the providing Party for such failures, mistakes, omissions, interruptions, delays, errors or defects.

- 11.2 Neither Party shall be liable to the other in connection with the provision or use of services offered under this Agreement for indirect, incidental, consequential, reliance or special damages, including (without limitation) damages for lost profits (collectively, "Consequential Damages"), regardless of the form of action, whether in contract, warranty, strict liability, or tort, including, without limitation, negligence of any kind, even if the other Party has been advised of the possibility of such damages; provided, that the foregoing shall not limit a Party's obligation under Section 10.
- 11.3 The Parties agree that neither Party shall be liable to the customers of the other Party in connection with its provision of services to the other Party under this Agreement. Nothing in this Agreement shall be deemed to create a third party beneficiary relationship between the Party providing the service and the customers of the Party purchasing the service. In the event of a dispute involving both Parties with a customer of one Party, both Parties shall assert the applicability of any limitation on liability to customers that may be contained in either Party's applicable tariff(s) or customer contracts.

#### 12.0 COMPLIANCE WITH LAWS AND REGULATIONS

- 12.1 Each Party shall comply with all federal, state, and local statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings applicable to its performance under this Agreement. Each Party shall promptly notify the other Party in writing of any governmental action that suspends, cancels, withdraws, limits, or otherwise materially affects its ability to perform its obligations hereunder.
- 12.2 The Parties understand and agree that this Agreement will be filed with the Commission. The Parties reserve the right to seek regulatory relief and otherwise seek redress from each other regarding performance and implementation of this Agreement. In the event the Commission rejects this Agreement, the Parties agree to meet and negotiate in good faith to arrive at a mutually acceptable modification of the Agreement. Further, this Agreement is subject to change, modification, or cancellation as may be required by a regulatory authority or court in the exercise of its lawful jurisdiction. Notwithstanding these mutual commitments, the Parties nevertheless enter into this Agreement without prejudice to any positions they have taken previously, or may take in the future in any legislative, regulatory, or other public forum addressing any matters, including matters related specifically to this Agreement or other types of arrangements prescribed in this Agreement.

#### 13.0 DISCLAIMER OF REPRESENTATION AND WARRANTIES

EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT, NEITHER PARTY MAKES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES, FUNCTIONS AND PRODUCTS IT PROVIDES UNDER OR CONTEMPLATED BY THIS AGREEMENT AND THE PARTIES DISCLAIM THE IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.

#### 14.0 MISCELLANEOUS

#### 14.1 Authorization

- 14.1.1 South Central Rural Telephone Cooperative Corporation, Inc. is a corporation duly organized, validly existing and in good standing under the laws of the State of Kentucky and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to necessary regulatory approval.
- 14.1.2 Carrier is a corporation duly organized, validly existing and in good standing under the laws of the State of Kentucky and has a full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to necessary regulatory approval.

## 14.2 <u>Disclaimer of Agency; No Third Party Beneficiaries; Independent Contractor</u>

Neither this Agreement, nor any actions taken by either Party, in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between the Parties, or any relationship. Neither this Agreement, nor any actions taken by either Party in compliance with this Agreement, shall create an agency, or any other type of relationship or third party liability between the Parties or between either Party and the customers of the other Party. This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein express or implied shall create or be construed to create any third-party beneficiary rights hereunder. Nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.

#### 14.3 Force Majeure

Neither Party shall be responsible for delays or failures in performance resulting from acts or occurrences beyond the reasonable control of such Party, regardless of

whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement, including, without limitation: adverse weather conditions, fire, explosion, power failure, acts of God, war, revolution, civil commotion, or acts of public enemies; any law, order, regulation, ordinance or requirement of any government or legal body; or labor unrest, including, without limitation, strikes, slowdowns, picketing or boycotts; or delays caused by the other Party or by other service or equipment vendors; or any other circumstances beyond the Party's reasonable control. In such event, the affected Party shall, upon giving prompt notice to the other Party, be excused from such performance on a day-to-day basis to the extent of such interferences (and the other Party shall likewise be excused from performance of its obligations on a day-to-day basis to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use its best efforts to avoid or remove the cause(s) of non-performance and both Parties shall proceed to perform with dispatch once the cause(s) are removed or cease.

#### 14.4 <u>Treatment of Proprietary and Confidential Information</u>

14.4.1 Both Parties agree that it may be necessary to provide each other during the term of this Agreement with certain confidential information, including, but not limited to, trade secrets, technical and business plans, technical information, proposals, specifications, drawings, procedures, customer account data, call detail records and like information (hereinafter collectively referred to as "Proprietary Information"). Proprietary information shall remain the property of the disclosing Party. Both Parties agree that all Proprietary Information shall be in writing or other tangible form and clearly marked with a confidential, private or proprietary legend and that the Proprietary Information will be returned to the owner within a reasonable time. Both Parties agree that the Proprietary Information shall be utilized by the non-disclosing Party only to the extent necessary to fulfill the terms of this Agreement or upon such terms and conditions as may be agreed upon between the Parties in writing, and for no other purpose. Both Parties agree to receive such Proprietary Information and not to disclose such Proprietary Information. Both Parties agree to protect the Proprietary Information received from distribution, disclosure or dissemination to anyone except employees and duly authorized agents of the Parties with a need to know such Proprietary Information and which employees and agents agree to be bound by the terms of this Section. Both Parties will use the same standard of care to protect Proprietary Information received as they would use to protect their own confidential and proprietary information.

14.4.2 Notwithstanding the foregoing, both Parties agree that there will be no obligation to protect any portion of the Proprietary Information that is either: 1) made publicly available by the owner of the Proprietary Information or lawfully disclosed by a non-party to this Agreement; 2) lawfully obtained from any source other than the owner of the Proprietary Information; 3) publicly known through no wrongful act of the receiving Party; 4) previously known to the receiving Party without an obligation to keep it confidential; 5) required to be disclosed by any governmental authority or applicable law; or 6) approved for release by written authorization of the disclosing Party.

#### 14.5 Choice of Law

The construction, interpretation, enforcement and performance of this Agreement shall be in accordance with the laws of the State of Kentucky without regard to its conflict of laws principles.

#### 14.6 <u>Taxes</u>

14.6.1 It is the mutual understanding of the Parties to this Agreement that there are no taxes specifically applicable to the subject matter of this Agreement or to either Party as a result of entering into this Agreement that would not otherwise be applicable to each respective Party. In the event that any government authority, however, determines to the contrary that a tax or taxes are applicable to the subject matter of this Agreement, then the following provisions will apply.

#### 14.6.2 Definitions

14.6.2.1 For purposes of this Subsection 14.6, the terms "taxes" and "fees" shall include but not limited to federal, state or local sales, use, excise, gross receipts or other taxes or tax-like fees of whatever nature and however designated (including tariff surcharges and any fees, charges or other payments, contractual or otherwise, for the use of public streets or rights of way, whether designated as franchise fees or otherwise) imposed, or sought to be imposed, on or with respect to the services furnished hereunder or measured by the charges or payments thereof, excluding any taxes levied on income.

14.6.2.2 The term "Providing Party" shall mean the Party whose rates apply to the transaction. The term "Purchasing Party" shall be the Party responsible for payment of compensation under this agreement with respect to a transaction. The term "Selling Party" shall have the same meaning as Providing Party.

#### 14.6.3 Taxes and Fees Imposed Directly On Either Seller or Purchaser

14.6.3.1 Taxes and fees imposed on the providing Party, which are not permitted or required to be passed on by the providing Party to its customer, shall be borne and paid by the providing Party.

14.6.3.2 Taxes and fees imposed on the purchasing Party, which are not required to be collected and/or remitted by the providing Party, shall be borne and paid by the purchasing Party.

14.6.4 Taxes And Fees Imposed on Purchaser But Collected And Remitted By Seller

- 14.6.4.1 Taxes and fees imposed on the purchasing Party shall be borne by the purchasing Party, even if the obligation to collect and/or remit such taxes or fees is placed on the providing Party.
- 14.6.4.2 To the extent permitted by applicable law, any such taxes and/or fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the purchasing Party remain liable for any such taxes and fees regardless of whether they are actually billed by the providing Party at the time that the respective service is billed.
- 14.6.4.3 If the purchasing Party determines that in its opinion any such taxes or fees are not payable, the providing Party shall not bill such taxes or fees to the purchasing Party if the purchasing Party provides written certification, reasonably satisfactory to the providing Party, stating that it is exempt or otherwise not subject to the tax or fee, setting forth the basis therefor, and satisfying any other requirements under applicable law. If any authority seeks to collect any such tax or fee that the purchasing Party has determined and certified not to be payable, or any such tax or fee that was not billed by the providing Party, the purchasing Party may contest the same in good faith, at its own expense. In any such contest, the purchasing Party shall promptly furnish the providing Party with copies of all filings in any proceeding, protest, or legal challenge, all rulings in connection therewith, and all correspondence between the purchasing Party and the taxing authority.
- 14.6.4.4 In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the providing Party during the pendency of such contest, the purchasing Party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.
- 14.6.4.5 If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the purchasing Party shall pay such additional amount, including any interest and penalties thereon.
- 14.6.4.6 Notwithstanding any provision to the contrary, the purchasing Party shall protect, indemnify and hold harmless (and defend at the purchasing Party's expense) the providing Party from and against any such tax or fee, interest or penalties thereon, or other charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the providing Party in connection with any claim for or contest of any such tax or fee.
- 14.6.4.7 Each Party shall notify the other Party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a taxing authority; such notice to be provided, if possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in

no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

#### 14.6.5 Taxes And Fees Imposed on Seller But Passed On To Purchaser

14.6.5.1 Taxes and fees imposed on the providing Party, which are permitted or required to be passed on by the providing Party to its customer, shall be borne by the purchasing Party.

14.6.5.2 To the extent permitted by applicable law, any such taxes and/or fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the purchasing Party shall remain liable for any such taxes and fees regardless of whether they are actually billed by the providing Party at the time that the respective service is billed.

14.6.5.3 If the purchasing Party disagrees with the providing Party's determination as to the application or basis for any such tax or fee, the Parties shall consult with respect to the imposition and billing of such tax or fee. Notwithstanding the foregoing, the providing Party shall retain ultimate responsibility for determining whether and to what extent any such taxes or fees are applicable, and the purchasing Party shall abide by such determination and pay such taxes or fees to the providing Party. The providing Party shall further retain ultimate responsibility for determining whether and how to contest the imposition of such taxes and fees; provided, however, that any such contest undertaken at the request of the purchasing Party shall be at the purchasing Party's expense.

14.6.5.4 In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the providing Party during the pendency of such contest, the purchasing Party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.

14.6.5.5 If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the purchasing Party shall pay such additional amount, including any interest and penalties thereon.

14.6.5.6 Notwithstanding any provision to the contrary, the purchasing Party shall protect, indemnify and hold harmless (and defend at the purchasing Party's expense) the providing Party from and against any such tax or fee, interest or penalties thereon, or other reasonable charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the providing Party in connection with any claim for or contest of any such tax or fee.

14.6.5.7 Each Party shall notify the other Party in writing of any assessment, proposed assessment or other claim for any additional amount of such a

tax or fee by a taxing authority; such notice to be provided, if possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

#### 14.6.6 Mutual Cooperation

In any contest of a tax or fee by one Party, the other Party shall cooperate fully by providing records, testimony and such additional information or assistance as may reasonably be necessary to pursue the contest. Further, the other Party shall be reimbursed for any reasonable and necessary out-of-pocket copying and travel expenses incurred in assisting in such contest.

#### 14.7 Assignability

Either party may, with the other Party's prior written consent, assign this Agreement or any of its rights or obligations hereunder to a successor third party, including, without limitation, its parent or other affiliate; such consent shall not be unreasonably withheld upon the provision of the reasonable evidence by the proposed assignee that it has the resources, ability and authority to provide satisfactory performance under this Agreement. Any assignment or delegation in violation of this subsection 14.7 shall be void and ineffective and constitute a default of this Agreement. This Agreement shall be binding on and inure to the benefit of the Parties and their respective legal successors and permitted assignee.

#### 14.8 Billing and Payment; Disputed Amounts

14.8.1 Although it is the intend of both Parties to submit timely and accurate statements of charges, failure by either Party to present statements to the other Party in a timely manner shall not constitute a breach or default, or a waiver of the right to payment of the incurred charges, by the billing Party under this Agreement, and the billed Party shall not be entitled to dispute the billing Party's statement(s) based on such Party's failure to submit them in a timely fashion.

14.8.2 If any portion of an amount due to a Party (the "Billing Party") under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the "Non-Paying Party") shall within thirty (30) days of its receipt of the invoice containing such disputed amount give notice to the Billing Party of the amount it disputes ("Disputed Amount") and include in such notice the specific details and reasons for disputing each item. The Non-Paying Party shall pay when due all undisputed amounts to the Billing Party.

14.8.3 If the Parties are unable to resolve the issues related to the Disputed Amounts in the normal course of business within sixty (60) days after delivery to the Billing Party of notice of the Disputed Amounts, each of the Parties shall appoint a

designated representative that has authority to settle the dispute and that is at a higher level of management than the persons with direct responsibility for administration of this Agreement. The designated representatives shall meet as often as they reasonably deem necessary in order to discuss the dispute and negotiate in good faith in an effort to resolve such dispute. The specific format for such discussions will be left to the discretion of the designated representatives, however all reasonable requests for relevant information made by one Party to the other Party shall be honored.

14.8.4 If the Parties are unable to resolve issues related to the Disputed Amounts within thirty (30) days after the Parties' appointment of designated representatives pursuant to subsection 14.8.3, then either Party may file a complaint with the Commission to resolve such issues or proceed with any other remedy pursuant to law or equity.

14.8.5 The Parties agree that all negotiations pursuant to this subsection 14.8 shall remain confidential and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and state rules of evidence.

14.8.6 Any undisputed amounts not paid when due shall accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1-1/2%) per month or (ii) the highest rate of interest that may be charged under applicable law.

#### 14.9 <u>Dispute Resolution</u>

Any dispute between the Parties regarding the interpretation or enforcement of this Agreement or any of its terms shall be addressed by good faith negotiation between the Parties, in the first instance. Should such negotiations fail to resolve the dispute in a reasonable time, either Party may initiate an appropriate action in any regulatory or judicial forum of competent jurisdiction.

#### 14.10 <u>Notices</u>

Notices give by one Party to the other Party under this Agreement shall be in writing and shall be (i) delivered personally, (ii) delivered by express delivery service, or (iii) mailed, certified mail or first class U.S. mail postage prepaid, return receipt requested to the following addresses of the Parties:

To: Bluegrass Cellular Inc. 2902 Ring Road Elizabethtown, KY 42701 To: South Central Rural Telephone Cooperative Corporation, Inc. 1399 Happy Valley Road P.O. Drawer 159 Glasgow, KY 42142-0159 or such other address as either Party shall designate by proper notice. Notices will be deemed given as of the earlier of (i) the date of actual receipt, (ii) the next business day when notice is sent via express mail or personal delivery, or (iii) three (3) days after mailing in the case of first class or certified U.S. mail.

#### 14.11 Joint Work Product

This Agreement is the joint work produce of the Parties and has been negotiated by the Parties and shall be fairly interpreted in accordance with its terms and, in the event of any ambiguities, no inferences shall be drawn against either Party.

#### 14.12 No License

14.12.1 Nothing in this Agreement shall be construed as the grant of a license, either express or implied, with respect to any patent, copyright, trademark, trade name, trade secret or any other proprietary or intellectual property now or hereafter owned, controlled or licensable by either Party. Neither Party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right of the other Party except in accordance with the terms of a separate license agreement between the Parties granting such rights.

14.12.2 Neither Party shall have any obligation to defend, indemnify or hold harmless, or acquire any license or right for the benefit of, or owe any other obligation or have any liability to, the other Party or its customers based on or arising from any claim, demand, or proceeding by any third party alleging or asserting that the use of any circuit, apparatus, or system, or the use of any software, or the performance of any service or method, or the provision of any facilities by either Party under this Agreement, along or in combination with that of the other Party, constitutes direct, vicarious or contributory infringement or inducement to infringe, misuse or misappropriation of any patent, copyright, trademark, trade secret, or any other proprietary or intellectual property right of any Party or third party. Each Party, however, shall offer to the other reasonable cooperation and assistance in the defense of any such claim.

14.12.3 NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE PARTIES AGREE THAT NEITHER PARTY HAS MADE, AND THAT THERE DOES NOT EXIST, ANY WARRANTY, EXPRESS OR IMPLIED, THAT THE USE BY THE PARTIES OF THE OTHER'S FACILITIES, ARRANGEMENTS, OR SERVICES PROVIDED UNDER THIS AGREEMENT SHALL NOT GIVE RISE TO A CLAIM BY ANY THIRD PARTY OF INFRINGEMENT, MISUSE, OR MISAPPROPRIATION OF ANY INTELLECTUAL PROPERTY RIGHT OF SUCH THIRD PARTY.

#### 14.13 Survival

The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement.

#### 14.14 Entire Agreement

This Agreement and any Exhibits, Appendices, Schedules, or tariffs which are incorporated herein by this reference, sets forth the entire understanding and supersedes prior agreements between the Parties relating to the subject matter contained herein and merges all prior discussions between them, and neither Party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the Party to be bound thereby.

#### 14.15 Non-Waiver

Failure of either Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right or privilege.

#### 14.16 Publicity and Use of Trademarks or Service Marks

Neither Party nor its subcontractors or agents shall use the other Party's trademarks, service marks, logos or other proprietary trade dress in any advertising, press releases, publicity matters or other promotional materials without such Party's prior written consent.

#### 14.17 <u>Severability</u>

If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be unenforceable, the rest of the Agreement shall remain in full force and effect and shall not be affected unless removal of that provision results, in the opinion of either Party, in a material change to this Agreement. If a material change as described in this paragraph occurs as a result of action by a court or regulatory agency, the Parties shall negotiate in good faith for replacement language that does not materially alter the economic effect of this Agreement on either Party. If replacement language cannot be agreed upon within a reasonable period, either Party may terminate this Agreement without penalty or liability for such termination upon written notice to the other Party.

#### 14.18 Technology Upgrades

Nothing in this Agreement shall limit South Central Rural Telephone Cooperative Corporation, Inc.'s ability to upgrade its network through the incorporation of new

equipment, new software or otherwise. South Central Rural Telephone Cooperative Corporation, Inc. shall provide Carrier written notice at least ninety (90) days prior to the incorporation of any such upgrade in South Central Rural Telephone Cooperative Corporation, Inc.'s network which will materially impact Carrier service. Carrier shall be solely responsible for the cost and effort of accommodating such changes in its own network.

#### 14.19 Modification, Amendment, Supplement, or Waiver

No modification, amendment, supplement to, or waiver of the Agreement or any of its provisions shall be effective and binding upon the Parties unless it is made in writing and duly signed by the Parties. A failure or delay of either Party to enforce any of the provisions hereof, to exercise any option which is herein provided, or to require performance of any of the provisions hereof shall in no way be construed to be a waiver of such provisions or options.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_, 2000.

Bluegrass Cellular Inc. acting as agent for itself and on behalf of KY RSA #3 Cellular General Partnership, KY RSA #4 Cellular General Partnership, and Cumberland Cellular Partnership

By:\_\_\_\_\_\_ By:\_\_\_\_\_\_

Printed:\_\_\_\_\_\_ Printed:\_\_\_\_\_\_\_

Title:\_\_\_\_\_\_ Title:\_\_\_\_\_\_\_

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### Designation of Point(s) of Connection And Traffic Distribution

This Exhibit specifies the Points of Connection ("POCs") pursuant to the Agreement for Facilities-Based Network Interconnection for Transport and Termination of Local Service Area Traffic (CMRS-LEC Agreement) between Carrier and SCRTC, and the relative directionality and distribution of traffic with respect to the connecting facilities associated with each POC as follows:

#### TYPE 1 INTERCONNECTION

[For two-way trunk arrangements with SCRTC DID numbers]

% LEC-to-CMRS traffic terminating on Carrier's network

P00 NO. I For Type I seivice obtained by Carrier at SCRTC's Glasgow end office with CLLI of GLSGKYXRDSI in LATA 462 (Louisville) and V&H of VC 6780 and HC 2664 within MTA #263 pursuant to this Agreement, the Parties agree to connect type I two-way trunks using DSI transmission facilities at SCRTC's host/tandem facility in Glasgow, Ky., with CLLI of GLSGKYXRTSI in LATA 462 (Louisville) and V&H of VC 6780 and HC 2664. The Parties agree that SCRTC's traffic originating from or Carrier traffic terminating to SCRTC's network delivered over these Type I trunks shall be measured, and the Parties will apply the following default percentages of traffic distribution for purposes of applying charges pursuant to this Agreement: % CMRS-to-LEC traffic terminating on SCRTC's network = 80 %

For the 80 % of total traffic terminating on SCRTC's network, the Parties agree to the following distribution of traffic:

% Local Service Area traffic	=	90 %
% Intrastate Inter-MTA traffic	=	5 %
% Interstate Inter-MTA traffic	=	5 %

For the 20 % of total traffic terminating on Carrier's network, the Parties agree to the following distribution of traffic:

% Local Service Area traffic	=	90 %
% One Way CMRS paging traffic		10 %

P00 NO. 2 For Type I service obtained by Carrier at SCRTC's Lucas end office with CLLI of LUCSKYXARSI in LATA 462 (Louisville) and V&H of VC 6807 and HO 2673 within MTA #263 pursuant to this Agreement, the Parties agree to connect 24 Type I two-way trunks using DSI transmission facilities at SCRTC's host facility in Glasgow, Ky., with CLLI of GLSGKYXRDSI in LATA 462 (Louisville) and V&H of VC 6780 and HO 2684. The Parties agree that SCRTC's traffic originating from or Carrier traffic terminating to SCRTC's network delivered over these Type I trunks shall be measured, and the Parties will apply the following default percentages of traffic distribution for purposes of applying charges pursuant to this Agreement:

% CMRS-to-LEC traffic terminating on SCRTC's network = 80 % % LEC-to-CMRS traffic terminating on Carrier's network = 20 %

For the 80 % of total traffic terminating on SCRTC's network, the Parties agree to the following distribution of traffic:

% Local Service Area traffic	=	90 %
% Intrastate Inter-MTA traffic	=	5 %
% Interstate Inter-MTA traffic	=	5 %

For the 20 % of total traffic terminating on Carrier's network, the Parties agree to the following distribution of traffic:

% Local Service Area traffic	=	90 %
% One Way CMRS paging traffic	=	10 %

<u>P00 NO. 3</u> For Type I service obtained by Carrier at SCRTC's Temple Hill end office with CLLI of TMHLKYXADS1 in LATA 462 (Louisville) and V&H of VC 6794 and HC 2645 within MTA #263 pursuant to this Agreement, the Parties agree to connect type I trunks using DSI transmission facilities at SCRTC's host/tandem facility in Glasgow, Ky., with CLLI of GLSGKYXRTSI in LATA 462 (Louisville) and V&H of VC 6780 and HO 2664. The Parties agree that SCRTO's traffic originating from or Carrier traffic terminating to SCRTC's network delivered over these Type I trunks shall be measured, and the Parties will apply the following default percentages of traffic distribution for purposes of applying charges pursuant to this Agreement:

% CMRS-to-LEC traffic terminating on SCRTC's network = 80 % % LEC-to-CMRS traffic terminating on Carrier's network = 20 %

For the 80 % of total traffic terminating on SCRTC's network, the Parties agree to the following distribution of traffic:

% Local Service Area	=	90%
traffic	=	5%
% Intrastate Inter-MTA traffic	=	5%
% Interstate Inter-MTA		
traffic		

For the 20 % of total traffic terminating on Carrier's network, the Parties agree to the following distribution of traffic:

% Local Service Area traffic	=	90%
% One Way CMRS paging	=	10%
traffic		

P00 NO. 4 For Type 1 service obtained by Carrier at SCRTC's Oanmer end office with CLLI of CNMRKYXARSI in LATA 464 (Owensboro) and V&H of VC 6712 and HO 2672 within MTA #263 pursuant to this Agreement, the Parties agree to connect 24 type I two-way trunks using DS1 transmission facilities at SORTC's host facility in Horse Cave, Ky., with CLLI of HRCVKYXADSI in LATA 464 (Owensboro) and V&H of VC 6743 and HO 2683 and to connect 24 type I two-way trunks using DSI transmission facilities at SCRTC's End Office facility in Munfordville, Ky., with CLLI of MFVLKYXARSI in LATA 464 (Owensboro) and V&H of VC 6725 and HO 2689. The Parties agree that SORTC's traffic originating from or Carrier traffic terminating to SCRTC's network delivered over these Type I trunks shall be measured, and the Parties will apply the following default percentages of traffic distribution for purposes of applying charges pursuant to this Agreement:

% CMRS-to-LEC traffic terminating on SCRTC's network % LEC-to-CMRS traffic terminating on Carrier's network	% Local Service	۸roa
For the 80 % of total traffic terminating on SCRTO's network, the the following distribution of traffic:	traffic % One V CMRS p	Vay
% Local Service Area traffic	traffic	agirig
% Intrastate Inter-MTA traffic	=	80%
% Interstate Inter-MTA traffic	=	20%

For the 20 % of total traffic terminating on Carrier's network, Parties agree the the following distribution of traffic:

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5% 5%

Parties agree to

#### TYPE 2A INTERCONNECTION

[For two-way trunk arrangements with CMRS NXX]

#### P00 NO. 5

For the exchange of LEO-OMRS two-way traffic between the Parties networks

within MTA #263 pursuant to this Agreement, the parties agree to connect type

2A trunks using DSI transmission facilities at SORTO's host/tandem facility in

Glasgow, Ky., with CLLI of GLSGKYXRTSI in LATA 462 (Louisville) and V&H of

VC 6780 and HC 2664.

The Parties agree that SORTO's traffic originating from or Carrier traffic terminating to SCRTC's network delivered over these Type 2A trunks shall be measured, and the Parties will apply the following default percentages of traffic distribution for purposes of applying charges pursuant to this Agreement:

% CMRS-to-LEC traffic terminating on % LEO-to-CMRS traffic terminating on	scrtc's = network Oarrier's network = 80%	20%
For the 80 % of total traffic terminating the following distribution of traffic:	% Interstate Inter-MTA traffic on SCRTC's network, the Partie agree to	es
	=	90%
% Local Service Area traffic	=	5%
% Intrastate Inter-MTA traffic	=	5%

For the 20 % of total traffic terminating on Oarrier's network, the Parties agree to the following distribution of traffic:

% Local Service Area traffic	=	90%
% One Way CMRS paging	=	10%
traffic		

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#### POC NO.6

For the exchange of LEC-OMRS two-way traffic between the Parties networks within MTA #263 pursuant to this Agreement, the parties agree to connect type 2A trunks using DSI transmission facilities at the SCRTC's host/tandem facility in Horse Cave, KY. with CLLI of HRCVKYXATSI in LATA 464 (Owensboro) and V&H of VC 6743 and HO 2683.

The Parties agree that SORTC's traffic originating from or Carrier traffic terminating to SCRTC's network delivered over these Type 2A trunks shall be measured, and the Parties will apply the following default percentages of traffic distribution for purposes of applying charges pursuant to this Agreement:

% CMRS-to-LEC traffic terminating on SCRTC's network	Parties agree	
% LEC-to-CMRS traffic terminating on Oarrier's network	to	
	=	90%
For the 80 % of total traffic terminating on SCRTO's	=	5%
network, the the following distribution of traffic:	=	5%

- % Local Service Area traffic
- % Intrastate Inter-MTA traffic
- % Interstate Inter-MTA traffic
  - = 80%
  - = 20%

For the 20 % of total traffic terminating on Carrier's network,						
the the following distribution of traffic: % Local Service Area traffic	day of					
	,2000.					
% One Way CMRS paging traffic	=	90%				
Approved and executed this	=	10%				

Parties agree to

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RSA #3 Oellular General Partnership, KY RSA #4 Cellular General Partnership, and Cumberland Cellular Partnership By By South Central Rural Telephone Cooperative Corp., Inc.

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# Schedule of Charges Pursuant to the Agreement for Facilities-Based Network Interconnection for Transport and Termination of Local Service Area Traffic CMRS-LEC AGREEMENT

This Exhibit specifies the rates for the transport and termination of traffic delivered by one Party to the network of the other Party pursuant to the Agreement for Facilities-Based Network Interconnection for Transport and Termination of Local Service Area Traffic (CMRS-LEO Agreement) between Carrier and SCRTC as follows:

 TYPE I DIRECT INWARD DIAL SERVICE ("DID") RATES AND CHARGES

(charges under both sections a and b apply): Non-Recurring charges are on new circuits ordered after the effective date of this contract

- a.SCRTC will charge Carrier monthly recurring rates pursuant to SCRTC's effective General Services tariff for the type I (DID numbers & DID trunks) facilities set forth in Appendix A.
- b. SCRTO will charge Carrier non-recurring rates SCRTO's pursuant to effective General Services tariff for any new Type I Facilities Appendix A.

a. Charges for Type I DID \$8.50

Service per 24 digital trunks

b. Charges for Type I DID \$ 250.00 Service per block of 20 Monthly numbers

per 1~' block assign per occasion Recurring

Non-Recurring \$ 576.00

\$ 1800.00

#### 2. CHARGES FOR TRANSPORT, TERMINATION AND TANDEM SWITCHING:

a. Local Service Area Traffic delivered by Carrier to SCRTC (per over Type 1 POC, end office transport and termination termina

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ting minute of use)

switch within the

 b. Local Service Area Traffic delivered by Carrier to SCRTC over Type 2A POC, end office termination, transport and Tandem switching (per terminating minute of use) for all end offices of SCRTC which are served from the Tandem

LATA. \$ .018402

.03211

- c. Local Service Area Traffic delivered by Carrier to SCRTC over Type 2A POC, end office termination, transport and Tandem switching (per terminating minute of use) for all end offices of SORTC that are in SCRTC's service area. \$
- d. Local Service Area Traffic delivered by SCRTC to Carrier over Type I POC, end office termination (per terminating minute of use)

  \$ .004722
- e. Local Service Area Traffic subject to transport and termination charges delivered by SCRTC to Carrier over Type 2A P00, end office termination (per terminating minute of use)
- 3. SPECIAL ACCESS CONNECTING FACILITIES \$ .018402
  - a. SCRTC will charge Carrier special access monthly recurring rates pursuant to SCRTC's effective Intrastate access tariff for the connecting facilities set forth in Appendix A.
  - b. SCRTC will charge Carrier special access non-recurring rates pursuant to SORTC's effective Intrastate access tariff for any new connecting facilities to be set forth in Appendix A. 2000.
  - c. SCRTC will credit Carrier 20% of the charges specified in this section for its portion of special access. Should the parties mutually agree to revise the % traffic flow calculation, the % special access credit will be modified to reflect the revise traffic flow %, however under no circumstances will the credit exceed 50%.

Approved and executed this day of

Bluegrass Cellular, Inc. acting as agent Cellular Partnership

for itself and on behalf of KY RSA #3 Cellular

By By

General Partnership, KY RSA #4 Cellular

South Central Rural

General Partnership, and Cumberland

Telephone Cooperative Corp., Inc.	Appendix B, Fage 2 of 2
Printed	Printed Daryl Wyatt

#### Designation of Type I and 2A Service Valid Terminating NPA-NXX Codes

This Exhibit specifies valid NPA-NXX codes for Type I and/or 2A terminating traffic pursuant to the Agreement for Facilities-Based Network Interconnection for Transport and Termination of Local Service Area Traffic (OMRS-LEC AGREEMENT) between Carrier and SORTC. The valid NPA-NXX codes to which traffic can be terminated by Carrier is dependent on the end office to which the Type I and/or 2A connection is made:

NPA- NXX Type I	270- 678, 270- 670,	270- 646, 270-	<b>432,</b> 270-	270-	<b>457,</b> 270-		
270-646	270-614 End Office Valid NPA-	270- 678,	270- 432, 270- 453,	434, 270- 428,	270- 457, 270-	<b>614</b> , 5, 27	<b>670</b> 0-773,
<b>528</b> , 270- 537	<u>NXX</u> <u>Codes</u>	tor Lern	ninating '	<u>l raffic</u>		270-56 270-61	
270-427 Type 2A Ta Office Glas 270-427,	gow	646, 270-	270- 432, 270- 453,	434, 270-	457, 270-	678, 27	27 0-670 <b>70-646</b>
45 61	7, 270- 4, 270- 0, 270-		<b>3, 270</b> 6, 270	-	-	Į.	
Horse Cave			3, 270 270-531 3, 270 270-524	l, )-324,	270-32	25, 27 270-5	0-773, 65